A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. Section 514B-121, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "\$514B-121 Association meetings. (a) A meeting of the
- 4 association shall be held at least once each year.
- 5 (b) All association meetings shall be conducted in
- 6 accordance with the most recent edition of Robert's Rules of
- 7 Order Newly Revised.
- **8** (c) Special meetings of the association may be called by
- 9 the president, a majority of the board, or by a petition to the
- 10 secretary or managing agent signed and dated by no less than
- 11 twenty-five per cent of the unit owners as shown in the
- 12 association's record of ownership; provided that if the
- 13 secretary or managing agent fails to send out the notices for
- 14 the special meeting within fourteen days of receipt of the
- 15 petition, the petitioners shall have the authority to set the
- 16 time, date, and place for the special meeting and to send out
- 17 the notices and proxies for the special meeting at the

H.B. NO. 850

- 1 association's expense in accordance with the requirements of the
- 2 bylaws and of this part; provided further that a special meeting
- 3 based upon a petition to the secretary or managing agent shall
- 4 be set no later than sixty days from receipt of the petition.
- 5 The petition shall be valid only if submitted within one hundred
- 6 twenty days of the earliest signature.
- 7 (d) No less than fourteen days in advance of any meeting,
- 8 the secretary or other officer specified in the bylaws shall
- 9 cause notice to be:
- 10 (1) Hand-delivered;
- 11 (2) Sent prepaid by United States mail to the mailing
- address of each unit or to any other mailing address
- designated in writing by the unit owner; or
- 14 (3) At the option of the unit owner, expressed in writing,
- by electronic mail to the electronic mailing address
- designated in writing by the unit owner.
- 17 The notice of any meeting shall state the date, time, and place
- 18 of the meeting and the items on the agenda, including the
- 19 general nature and rationale of any proposed amendment to the
- 20 declaration or bylaws, and any proposal to remove a member of
- 21 the board; provided that this subsection shall not preclude any

H.B. NO. 850 H.D. 1 S.D. 1

1	unit owne	r from proposing an amendment to the declaration or
2	bylaws or	to remove a member of the board at any annual
3	associati	on meeting.
4	(e)	Notwithstanding any provision [to the contrary] in the
5	associati	on's declaration or bylaws, [electronic] the board, in
6	its sole	discretion, may authorize:
7	(1)	Electronic voting at any in-person association
8		meeting; and
9	(2)	Electronic meetings, electronic voting[7] at
10		electronic meetings, electronic voting without a
11		meeting, and mail voting [may be authorized by the
12		board in its sole discretion: without a meeting for
13		any and all association business, including, without
14		limitation, the election of directors, the adoption of
15		amendments of the declaration and bylaws, and the
16		adoption of motions and resolutions:
17	[(1)]	(A) During any period in which a state of emergency
18		or local state of emergency, declared pursuant to
19		chapter 127A, is in effect in the county in which
20		the condominium is located; provided that the
21		termination or expiration of the state of

H.B. NO. H.D. 1 S.D. 1

1		emergency or local state of emergency shall not
2		be grounds for invalidating any action taken at
3		an electronic meeting that was noticed, or any
4		action taken by means of electronic voting or
5		mail voting without a meeting that was commenced,
6		while a state of emergency or local state of
7		emergency declared pursuant to chapter 127A, was
8		in effect;
9	[(2)	For any association meeting for which notice was giver
10		while a state of emergency or local state of
11		emergency, declared pursuant to chapter 127A, was in
12		effect for the county in which the condominium is
13		located but is no longer in effect as of the date of
14		the meeting; provided that the meeting is held within
15		sixty days of the date the notice was first given;
16	(3)]	(B) When approved by adoption of a special [meeting]
17		rule of order at an association meeting that
18		permits the board to authorize electronic
19		meetings, electronic voting, and mail voting;

1	$\left[\frac{(4)}{(C)}\right]$ When approved no less than three months and no
2	more than eighteen months before the electronic
3	meeting, electronic voting, and mail voting by:
4	$[\frac{A}{A}]$ $\underline{(i)}$ Written consent of a majority of unit
5	owners; or
6	$\left[\frac{B}{B}\right]$ (ii) Majority vote at an association meeting; or
7	$[\frac{(5)}{(D)}]$ Whenever otherwise authorized by this chapter or
8	in an association's declaration or bylaws.
9	[For any electronic meetings, electronic voting, and mail
10	voting, the voting deadline shall be within sixty days of the
11	date the notice was first sent.
12	(f) Voting conducted by means of electronic voting or mail
13	voting without a meeting of the association shall commence and
14	end on dates established by the board; provided that if a
15	deadline for voting or written consent is established by this
16	chapter, the declaration, or bylaws, the deadline established by
17	this chapter, the declaration, or bylaws shall control.
18	(g) Proxies shall not be used for any voting conducted
19	without a meeting of the association.
20	(h) The association shall implement reasonable measures to
21	verify that each person permitted to vote is a member of the

H.B. NO. 850

- ${f 1}$ association or, where proxy voting is authorized, the proxy of a
- 2 member.
- 3 [As used in this subsection, "mail voting" includes sending
- 4 or receiving written ballots via mail, courier, or electronic
- 5 transmission; provided that the transmission is a complete
- 6 reproduction of the original.
- 7 $\frac{(f)}{(f)}$ (i) All association meetings, except those where all
- 8 persons attend by electronic means, shall be held at the address
- 9 of the condominium or elsewhere within the State as determined
- 10 by the board; provided that in the event of a natural disaster,
- 11 an association meeting may be held outside the State.
- 12 (j) As used in this section:
- "Electronic voting" includes sending or receiving votes
- 14 electronically.
- "Mail voting" includes sending or receiving written ballots
- 16 or written consent forms by mail, courier, or electronic
- 17 transmission; provided that the transmission is a complete
- 18 reproduction of the original."
- 19 SECTION 2. Section 514B-124.5, Hawaii Revised Statutes, is
- 20 amended to read as follows:

- "[+]\$514B-124.5[+] Voting for elections; cumulative
- 2 voting. (a) [If the bylaws provide for cumulative voting for
- 3 an election at a meeting, If an election is to be held by
- 4 cumulative voting pursuant to the bylaws, each unit owner
- 5 present in person or represented by proxy shall have a number of
- 6 votes equal to the unit owner's voting percentage multiplied by
- 7 the number of positions to be filled at the election.
- **8** (b) Each unit owner shall be entitled to cumulate the
- 9 individual votes of the unit owner and give all of the votes to
- 10 one [nominee] candidate or distribute the individual votes among
- 11 any or all of the [nominees.] candidates.
- (c) The [nominee or nominees] candidate or candidates
- 13 receiving the highest number of votes under this section, up to
- 14 the total number of positions to be filled, shall be deemed
- 15 elected and shall be given the longest term.
- (d) This section shall not prevent the filling of
- 17 vacancies on the board of directors in accordance with this
- 18 chapter and the association's governing documents.
- (e) As used in this section, "candidate" means a nominee
- 20 or write-in candidate."

- 1 SECTION 3. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 4. This Act shall take effect on July 1, 2050.

Report Title:

Condominium Associations; Electronic Meetings; Electronic Voting; Mail Voting; Cumulative Voting

Description:

Clarifies an association board's authority with respect to calling electronic meetings, electronic voting, and mail voting. Clarifies that, in condominium elections, cumulative voting rights apply to all candidates regardless of whether they are nominated. Clarifies that individual votes are used in cumulative voting. Effective 7/1/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.